



Workhorse Group Inc.

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Illinois Commerce Commission
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Ritta Merza
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Katharine McErlean
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Jennifer Morris
Illinois Commerce Commission
527 E. Capitol Avenue,
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RE: Notice of Inquiry Regarding Electric Vehicles

Dear Ms. Brumit, Merza, McErlean & Morris:

Workhorse Group Inc. (Workhorse), is a U.S. small business that manufactures electric trucks and vans, specifically Class 3 through 6 delivery trucks and vans, and will start manufacturing an electric pickup truck next year. Workhorse has been producing all-electric delivery trucks for several years and its new all-electric NGEN-1000 delivery van is now in production. Furthermore, many other manufacturers have announced that they are introducing medium duty electric trucks within the next couple of years.

The drive cycle for delivery vehicles is ideal for electric vehicles. They make frequent stops usually within a limited range and typically return to a home base each night where they can be charged at less expensive overnight rates.

Replacing diesel delivery vehicles with all-electric vehicles will achieve 100% NOx reduction and the elimination of particulate matter emissions, as well as the elimination of greenhouse gas emissions from tailpipes.

Diesel delivery vehicles usually operate in areas with a disproportionate pollution burden. Distribution centers are in locations that now receive a disproportionate share of air pollution burden from diesel fleets. As a result, funding for electric delivery vehicle purchases would be the quickest and most effective way to mitigate the damage to human health and the environment from diesel emissions.

The charging practices of electric delivery fleets are inherently suited to relieve pressure on the grid during peak-demand times. Delivery fleets will typically operate during the day and will be plugged in at night with Level 2

EVSE. Even for fleets that complete their work days before or during peak-demand times, charging can easily be programmed to begin after peak demand ends. That will certainly be the case if utilities provide appropriate price signals to fleet managers to avoid charging during peak demand. There is little or no need for fleets to use fast charging.

Regulatory barriers to the adoption of EVs include the cumbersome process, lengthy waiting period and timing uncertainty for obtaining permits under local codes for the installation of EVSE infrastructure in some jurisdictions. As a matter of policy, the State should encourage, and to the extent possible require, local jurisdictions to streamline the application and review process for obtaining regulatory approval for the installation of EVSE by fleets.

A significant economic barrier to the adoption of EVs by delivery fleets is the limited capital available to the small business firms that are currently manufacturing electric trucks and vans. The large OEMs that are established in the truck manufacturing business all have announced plans to begin manufacturing electric trucks at some point in the future, but they are in no hurry to compete against their existing ICE models. The small business firms that are ready to disrupt the truck manufacturing industry by building electric trucks cannot produce enough trucks and vans to meet the potential demand for electric trucks. The Commission can work with public bodies in other states to encourage public and private investments in electric vehicle manufacturing to accelerate the adoption of electric delivery vehicles.

State incentives for fleets to purchase electric trucks modeled after California's successful HVIP vouchers will also enable small business EV truck manufacturers to compete against the traditional large business ICE truck manufacturers for sales to fleets. The Commission should explore ways that funding can be restored for the City of Chicago's voucher program and also consider expanding that voucher program to apply throughout the State.

The designation of "no-idling" zones in municipal codes and ordinances will serve as a strong encouragement for the adoption of EVs, especially all-electric delivery vehicles. Emissions from delivery vehicles that idle while packages are being delivered is a significant cause of emissions in urban environments. Electric vehicles do not "idle" when stopped and local codes and ordinances can explicitly recognize that they are permitted to make deliveries in no-idle zones.

Workhorse concurs with the detailed responses submitted by Tesla, AEE, ABB, Ameren, ComEd, CUB & EDF, Elevate Energy, EVgo, Sierra Club & NRDC, Siemens and UCS concerning Energy Efficiency of EVs and EV Charging Stations, Grid Reliability and Resilience, and the Benefits and Barriers to EVs.

Workhorse is interested in working with companies and government agencies that desire to replace their diesel fleets with electric vehicles.

Thank you for giving us an opportunity to respond to the Notice of Inquiry. Please contact me if you have any questions about our comments.

Sincerely,

O. Kevin Vincent
Vice President for Government, Regulatory and Safety Affairs